

LYNCHBURG CITY COUNCIL

Agenda Item Summary

MEETING DATE: **August 10, 2004, Work Session**

AGENDA ITEM NO.: 8

CONSENT:

REGULAR: **X**

CLOSED SESSION:

(Confidential)

ACTION: **X**

INFORMATION:

ITEM TITLE: **Revised Airport Commerce Park MOU**

RECOMMENDATION: Approve a revised Memorandum of Understanding related to the development of an Airport Commerce Park in partnership with Campbell County.

SUMMARY: Last September City Council approved a memorandum of understanding (MOU) regarding the joint development, with Campbell County, of an Airport Commerce Park adjacent to the Lynchburg Regional Airport. A copy of that MOU is included with the attached Council Report. When the MOU was presented to the Campbell County Board of Supervisors, the County Attorney raised certain concerns regarding language in the MOU that he felt attempted to grant authority to the work group that is not authorized by the State Code. Nevertheless, the work group has met four times and is proceeding with plans for the development of the commerce park. At the same time staff has worked to revise the MOU to address the Campbell County Attorney's concerns. The City Attorney's Office has also participated in the revision of the MOU and it is now in a form acceptable to all. The revised MOU (attached) remains true to the intent of the original and is recommended for approval by Council.

PRIOR ACTION(S): September 30, 2003, Council approved the original MOU

FISCAL IMPACT: N/A

CONTACT(S): Kimball Payne

ATTACHMENT(S): September 30, 2003 Council Report; Proposed Revised MOU

REVIEWED BY: lkp

AIRPORT COMMERCE PARK

PROJECT ADVISORY COMMITTEE AGREEMENT

This agreement made and entered into this ____ day July 2004 by and between the **CITY COUNCIL** of the **CITY OF LYNCHBURG (Lynchburg)** and the **BOARD OF SUPERVISORS** of **CAMPBELL COUNTY (CAMPBELL COUNTY)** and the **CAMPBELL COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY (CCIDA)**.

WITNESSETH:

WHEREAS, LYNCHBURG operates the **LYNCHBURG REGIONAL AIRPORT** which is located within the geographical boundaries of **CAMPBELL COUNTY**;

WHEREAS, CAMPBELL COUNTY and the **CITY OF LYNCHBURG** own approximately 175 acres of land adjacent to the **LYNCHBURG REGIONAL AIRPORT**;

WHEREAS, the parties, in the interest of regional cooperation, maximizing resources, including infrastructure and personnel, and marketing a regional development beneficial to the entire region, wish to study options for developing this property as well as the long term operation of the Lynchburg Regional Airport;

WHEREAS, CITY COUNCIL and the **BOARD OF SUPERVISORS** have designated certain individuals to come together to study how to best develop this property for its highest and best use within the region;

WHEREAS, the **CAMPBELL COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY** is ready, willing and able in the short term subject to results from the project advisory committee to provide necessary funding for improvements to the

property pursuant to its existing authority as a political subdivision of the **COMMONWEALTH** under Chapter 49 of Title 15.2 the Code of Virginia of 1950 as amended, in the event property development within the boundaries of **CAMPBELL COUNTY** becomes necessary prior to the **BOARD OF SUPERVISORS** and **CITY COUNCIL** settling on an appropriate alternative for property development and financing.

NOW, THEREFORE, THIS AGREEMENT further **WITNESSETH** that the parties hereto agree as follows:

1. Designation of Committee and Project Name. The Project Advisory Committee here and after appointed shall be know as the **AIRPORT COMMERCE PARK PROJECT ADVISORY COMMITTEE** (the “**COMMITTEE**”) and the property including the **LYNCHBURG REGIONAL AIRPORT** and adjacent property being studied for development shall be known as the **AIRPORT COMMERCE PARK**.
2. Composition of Committee. The **COMMITTEE** shall consist of eight voting representatives, four from each jurisdiction as follows: two representatives from each jurisdiction’s Industrial Development Authority, the Economic Development Director from each jurisdiction and the City Manager and County Administrator. Of the eight initial voting members, two members, one from each participating jurisdiction’s Industrial Development Authority, shall serve two-year terms and the remaining two IDA members shall serve one-year terms. Subsequent terms of IDA members shall be for two-years, except where there have been appointments to fill vacancies in which case the term shall be for the unexpired term. The remaining four members shall be appointed for

terms concurrent with their terms of office. The committee shall consult and coordinate its' activities with the Airport Manager.

3. Duties of Committee. The Airport Commerce Park Project Advisory Committee shall undertake an exhaustive study of the most effective means by which to develop the existing unimproved land owned by Campbell County and the City of Lynchburg contiguous to the Lynchburg Regional Airport. The COMMITTEE shall propose development plans, and provide oversight of development as authorized by the City Council, Board of Supervisors, and CCIDA.

Additionally, the Committee shall examine alternative structures for the long term operation of the Lynchburg Regional Airport. The Committee shall consider whether the property shall be developed by the two jurisdictions under the Joint Powers Act, whether a Regional Airport Authority shall be created, whether to use the Region 2000 Regional Commission as a marketing and development tool, whether to use the Individual Industrial Development Authorities of either jurisdiction, whether to form another Authority under Subtitle IV of Chapter 15.2 of the Code of Virginia and the Committee shall explore any and all other ways of maximizing resources, marketing, developing and managing the property to serve the best interests of the region, including, without limitation, studying the organizational form and ownership of the Lynchburg Regional Airport.

The Committee shall report its findings to the Lynchburg City Council and the Campbell County Board of Supervisors for action to implement the recommendations of the Committee.

4. Voting. Each member of the Committee shall be entitled to one vote on all issues and all questions shall be determined by a majority vote at regularly scheduled meetings. In the event of a tie vote any motion or matter under consideration shall fail.

5. Marketing. The Committee shall work in cooperation with, among others, the Region 2000 Economic Development Partnership to develop and execute a marketing plan for the Park. Such marketing plan shall be first approved by the Committee prior to its implementation and after the Committee shall have recommended the vehicle through which to develop the Airport and the Park.

6. Infrastructure Planning and Improvements. Until such time as the Committee has recommended to the Board of Supervisors and City Council an appropriate vehicle through which to develop the property, any infrastructure improvements and costs of planning will be borne by the CCIDA in the case of infrastructure improvements within Campbell County and the City in the case of infrastructure within the City, or by mutual agreement of the two governing bodies and IDA as permitted by law. The **COMMITTEE** will recommend to the City Council, Board of Supervisors, and CCIDA all proposed development and funding issues related to an occurrence outlined in this section.

7. Revenues. Any revenues from the property prior to the Committee finishing its report shall first be used to retire any debt incurred by the CCIDA, the CCUSA or the City of Lynchburg and any revenues thereafter, until the Committee makes its final report, shall be the revenue of the jurisdiction within which any improvement is geographically located. Revenues shall mean all revenue from any tax or utility fees in connection with development of the property. The **COMMITTEE** may recommend to the receiving

jurisdiction distribution of additional funds to the CCIDA from the resulting revenues in support of the development of the property. Revenue from the sale of land shall accrue to the owner of the land. It is the present intention of the Committee that any recommendation made would apportion revenues in a manner proportionate to the contribution of each locality.

8. Advisory Committee to Determine Distribution of Revenues. The **COMMITTEE** shall, as a part of its report, undertake to determine the most equitable and fairest way of dividing any excess revenues from the development of the property and/or management of the Lynchburg Regional Airport and shall include as a part of its report recommendations with respect to how this might take place. To the extent required by Federal law any excess resources from the operation of the Airport shall be returned to the Airport.

9. Funding. The **COMMITTEE** shall recommend methods by which the Airport Commerce Park will be funded. It is anticipated that efforts will be made by Lynchburg, Campbell County and the Campbell County IDA as well as the Study Committee to secure individual or cooperative grant funding for the development and construction of the Airport Commerce Park.

10. Staff Resources. The City and County will utilize their existing staff and meeting facilities for the **COMMITTEE** as necessary to carry out its' responsibilities under this agreement.

IN WITNESS THEREOF, this Agreement is executed by the parties' hereto pursuant to due authority on the day and year first above written.

COUNTY OF CAMPBELL, VIRGINIA

By: _____
County Administrator

CITY OF LYNCHBURG, VIRGINIA

By: _____
City Manager

**CAMPBELL COUNTY INDUSTRIAL
DEVELOPMENT AUTHORITY**

By: _____
Chairman

Approved as to form:

Attorney, City of Lynchburg

Attorney, Campbell County

Date

Date